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Testimony for the Higher Education and Employment Advancement Committee Jennifer Widness, President Connecticut Conference of Independent Colleges March 2, 2023

On behalf of the Connecticut Conference of Independent Colleges I am submitting testimony on Section 12 of S.B. 982: AN ACT IMPLEMENTING THE GOVERNOR'S BUDGET RECOMMENDATIONS CONCERNING HIGHER EDUCATION which seeks to make permanent the exemption from academic program approval by the Office of Higher Education without a cap on the number of programs, for certain non-profit institutions that meet specific standards.

By way of background, private, non-profit institutions of higher education that are regionally accredited and maintain certain standards laid out in state statute have been exempt from academic program approval by the Office of Higher Education in some form since 2016.

Eligible institutions must:

- Be a non-profit institution (for-profit institutions are excluded from the exemption);
- Have received regional accreditation and operated in CT in good standing for at least 10 years;
- Be eligible to participate in federal student aid programs administered by the U.S. Department of Education, which monitors student loan default rates, among other things; and
- Be in good financial health, maintaining a financial responsibility composite score greater than 1.5 as determined by the U.S. Department of Education.

Since the 2016 law was enacted, the statute authorizing the exemption has been amended to place a cap on the number of programs that an institution which is exempt may introduce without review but for the last two years, eligible institutions have had no cap on the number of new programs that may be introduced. The program cap is scheduled to resume July 1, 2023. This bill simply seeks to make permanent existing policy that has been in place for nearly two years.

Exemption from OHE's program approval process is critical to allow private, non-profit institutions of higher education to be responsive to the needs of employers in the state to develop new programs and make modifications to existing programs in a timely manner.

The program approval process adds weeks and sometimes months to the ability of an institution to get a new program online after it has gone through a comprehensive internal review process. An academic year can be lost entirely if a program is not approved in time to market it for the fall enrollment cycle. The exemption allows CCIC's member institutions to work closely with employers and develop innovative new programs to respond to market and student demand.

Consumer protection would still be afforded to students through the adoption of this bill by the requirements that an institution must meet and maintain to be eligible for the exemption. To qualify for the exemption an institution must be non-profit and maintain regional accreditation in good standing. NECHE, the regional accreditor for the New England region, has the capacity, expertise and resources to monitor and ensure institutional quality. Further, exempt institutions are still required to share a wide range of information about their programs with OHE annually under recent legislation passed in 2021 requiring the participation of institutions in the state's credential registry.

Thirty-five states do not require state approval of academic program of private, non-profit colleges. Eight states exempt the majority of non-profit institutions of higher education that meet certain criteria from seeking state approval, similar to Connecticut's current law (CGS 10a-34(1)). Of the six states that require state review of new programs offered by non-profit institutions of higher education, the public institutions must go through the same process. Connecticut is the ONLY state in the country that requires program approval for private, non-profit colleges and not public colleges. The policy that this bill seeks to make permanent simply levels the playing field for private, non-profit colleges in our state. See here for more details.

We ask committee members to support section 12 of SB 982 to continue existing policy and make the program approval exemption permanent without a cap.